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THE Tobacco SITUATION

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BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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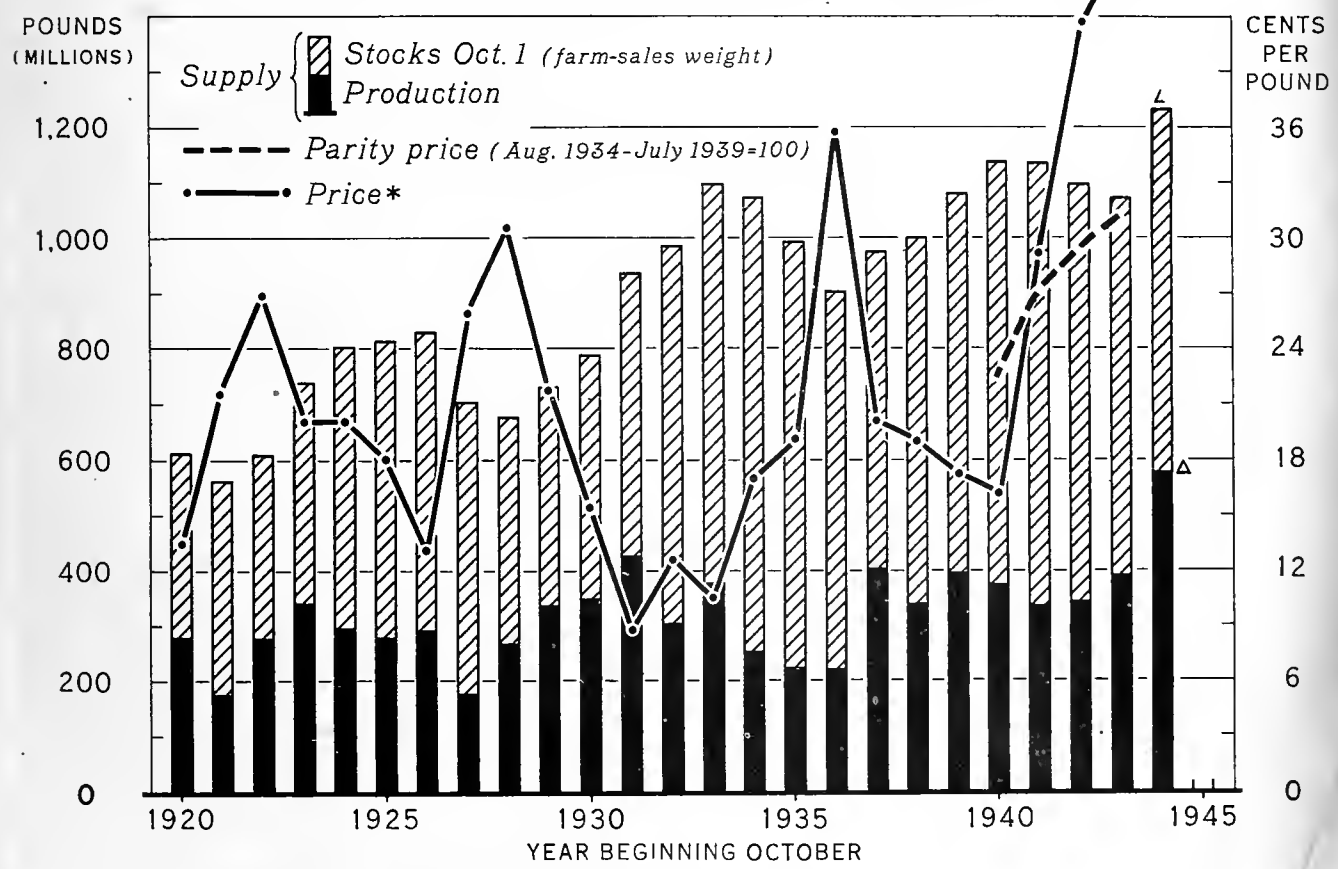
BURLEY TOBACCO: SUPPLY AND PRICE IN THE UNITED STATES, 1920-44



*SEASON AVERAGE PRICE RECEIVED BY FARMERS △ PRELIMINARY

U. S. DEPARTMENT OF AGRICULTURE NEG. 26619 BUREAU OF AGRICULTURAL ECONOMICS

Sales of 1944 crop of burley tobacco were in excess of 580 million pounds - indicating the largest crop of burley ever produced. Consumption of burley has increased along with the increase in the manufacture of cigarettes. Although stocks at the beginning of the 1944-45 season were the lowest in several years, the exceptionally large 1944 crop gives an indicated total supply of burley for the current season somewhat greater than the large supplies of the five preceding seasons. Burley prices were relatively high again this season and gross returns to growers were the largest in history.

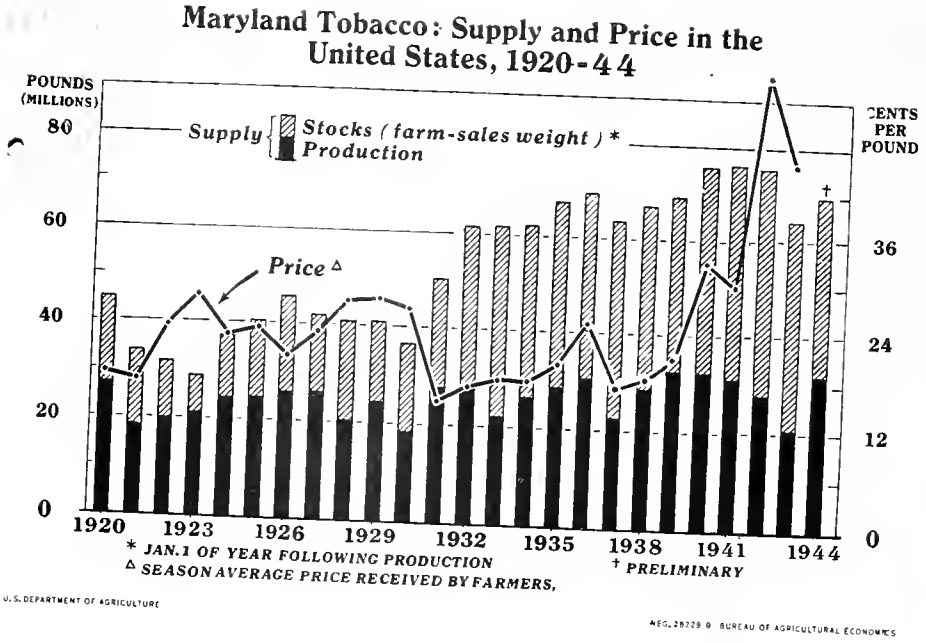


FIGURE 1.

Prices of Maryland tobacco have increased sharply during this war - having reached an all-time peak in 1943 when growers received an average of 56-1/2 cents per pound for the 1942 crop. Although stocks on January 1, 1945 were lowest since 1940, the relatively large 1944 crop gives a supply of Maryland for the 1945 season somewhat greater than the supply for the 1944 season and also above the average for the pre-war years 1934-38.

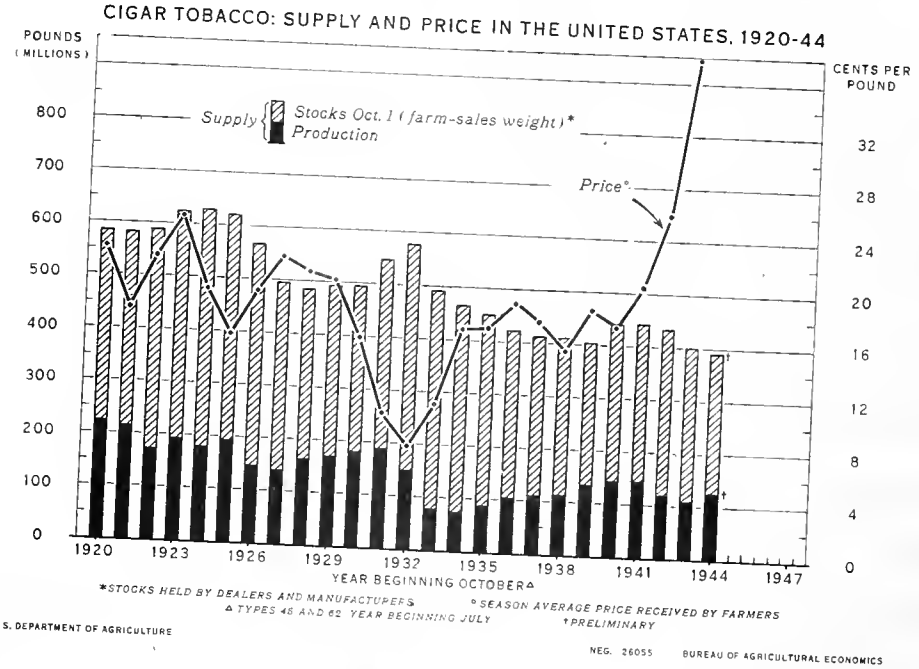


FIGURE 2.

Prices of cigar tobacco have increased sharply since 1940, and are now at or near the highest level in history. Despite a larger 1944 crop, the supply for the 1944-45 season was below the previous season. Total stocks on October 1, 1944 were below a year earlier. Cigar filler and binder stocks are low in relation to present and prospective requirements, but wrapper stocks appear adequate.

THE TOBACCO SITUATION

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SUMMARY

According to a recent report of the Crop Reporting Board of the United States Department of Agriculture another large planting of tobacco is in prospect this year. As of March 1, growers' intentions were to plant 1,782 thousand acres in 1945, an increase of 4.1 percent over the 1944 harvested acreage. If this acreage is planted and harvested, it would be exceeded only by the 1939 acreage, when about 2 million acres were planted. Indications point to acreage increases for all classes of tobacco, the largest being in burley, where an increase of 8 percent is indicated. Flue-cured would be up 2 percent, dark fire-cured 2 percent, dark air-cured 7 percent, and cigar tobacco 5 percent. Should the March 1 intended acreage materialize, and the 5-year (1939-43) average yield by types be obtained, the 1945 production would be about 4 percent lower than 1944, and about 7 percent below the record production of 1939.

With the exception of Maryland (type 32) practically all of the 1944 crop of tobacco has been sold by growers. Throughout most of the marketing season demand for tobacco of most all types was strong and prices were at or near those of a year earlier. Ceiling prices were in effect for all types

except fire-cured and dark air-cured. Latest unofficial estimates place the 1944 crop at about 1,925 million pounds, which is more than one-third larger than in 1943 and slightly more than the previous record crop grown in 1939. Production of every major type in 1944 showed an increase over the previous year, and production of cigarette tobacco (flue-cured, burley, and Maryland) was 41 percent over 1943 and the largest in the history of the industry. Returns to growers are estimated at about 817 million dollars, compared with 510 million for the 1943 crop, the previous record high.

The 1944 crop of flue-cured, estimated at 1,080 million pounds, was sold at an average of 42 cents per pound, the highest price since 1919 when growers received 44.4 cents per pound. The crop was sold under a maximum price regulation which provided for a price differential of 4-1/2 cents between tied and untied tobacco. Partly as a result of the operation of this feature of the regulation, type 14, produced in Georgia and Florida, and untied, was down 3 cents per pound from 1943, and nearly 7 cents below the 1944-45 season average of tied flue-cured (types 11-13).

All burley markets have closed for the season. Based on warehouse sales reports, the 1944 crop may exceed 580 million pounds. This is by far the largest burley crop ever produced. Reflecting the strong demand for cigarettes, most all grades of burley suitable for cigarette manufacture sold at ceiling prices throughout the season. Gross sales amounted to 616 million pounds at an average of 44 cents per pound, compared with 45.5 cents last season. The 1944 crop was allocated to buyers, as in the case of flue-cured, and ceiling prices by grades were again in effect on burley.

With sales of the 1944 crop completed, dark fire-cured tobacco has averaged slightly above the 1943 level. Preliminary estimates indicate a market average of approximately 24.4 cents per pound, compared with 23.4 last year. The 1944 crop of dark air-cured averaged approximately 23.4 cents per

pound compared with the season average of 27.2 cents for the 1943 crop. The relatively large consumption of snuff and chewing tobacco, the low level of stocks, and the comparatively short 1944 crop, have contributed to strength in prices of dark tobacco this season. There were no grades of dark tobacco "frozen" for diversion into nicotine as was the case last year. A small quantity of dark tobacco was purchased by the Commodity Credit Corporation under the price support program, however.

Maryland auction markets are scheduled to open April 17 for sale of the 1944 crop and in view of the strong demand for cigarette tobacco, demand for Maryland probably will be relatively strong again this year.

Production of tobacco products, particularly cigarettes, is continuing at an exceptionally high level. Supplies of cigarettes for use in this country have declined below the level of last year, but shipments to the armed forces abroad have increased.

Stocks of most types of tobacco are low in relation to the present high rate of consumption, but with the large 1944 crop now in the hands of manufacturers and dealers, stocks at the end of the present season should be larger than a year earlier. Production in 1944 was greater than estimated 1944-45 season's disappearance, and cigarette manufacturers were permitted to buy more tobacco from the 1944 crop than they used last season.

March 30, 1945

PRODUCTION AND CONSUMPTION OF TOBACCO PRODUCTS

The over-all production of tobacco products in this country is continuing at or near the highest level in the history of the industry. Government requirements for shipment to the armed forces overseas and for use in post exchanges in this country are being met, although supplies available for distribution through regular retail channels continue to be inadequate to meet in full the wartime requirements. The industry is still facing difficulties in expanding production, and may continue to do so as long as the war continues. Most of the increase in production of tobacco products since the beginning of the war is due largely to the increased consumption of cigarettes. Chewing tobacco and snuff have shown only moderate increases over pre-war years, and domestic manufacture of smoking tobacco is at the lowest level in many years.

Cigarettes

Despite the inadequacy of supplies, consumption of cigarettes in this country is continuing at an exceptionally high rate. Tax-paid withdrawals during January and February 1945 totaled 36.8 billion, about the same as for these months in 1944. Tax-paid withdrawals reached an all-time peak in 1943 when almost 258 billion cigarettes were tax-paid. Tax-paid cigarettes during the calendar year 1944 totaled approximately 239 billion, 7 percent below the previous year. Tax-paid withdrawals during the first 8 months of the present fiscal year (July-February) totaled 157 billion, 11 percent below the corresponding period of a year earlier. Production of cigarettes is being maintained at or near the highest level on record, and supplies available for domestic use during the next few months may depend primarily upon the requirements of the armed forces for overseas shipments.

Cigars

Domestic consumption of cigars during the calendar year 1944, as indicated by sales of revenue stamps, amounted to 4.8 billion, a decline of 8 percent from 1943, and 23 percent from 1942. During the first 8 months of the present fiscal year tax-paid withdrawals totaled 3.2 billion cigars, as compared with 3.3 billion during the corresponding period a year earlier. Sales of revenue stamps during February 1945 increased slightly over February 1944. Internal Revenue figures indicate that the trend toward higher priced cigars which began about 2 years ago was continuing. During the first 8 months of the present fiscal year, classes A, B, and C showed declines of 56 percent, 22 percent and 45 percent respectively, below the same period a year earlier. On the other hand, classes D, E, F, and G, all higher-priced cigars, showed increases ranging from 40 percent in class E to 423 percent in class G.

Smoking Tobacco

Production of smoking tobacco reached an exceptionally low level during 1944, although there was an increase during the last 3 months of the year over the corresponding months of 1943. Production during December 1944, the latest month for which figures are available, totaled almost 14 million pounds, an increase of more than 10 percent from the 12.6 million pounds produced in December 1943.

Tax-paid withdrawals of chewing and smoking tobacco combined during February 1945 totaled almost 22 million pounds, an increase of 19 percent from a year earlier. Inasmuch as smoking tobacco represents a large part of the total production of these two products, it appears that production of smoking tobacco during February was considerably greater than a year earlier. In view of inadequate supplies of cigarettes, it is likely that further gains in consumption of smoking tobacco will take place during the next few months. Among other factors which would tend to increase consumption of smoking tobacco and to decrease consumption of chewing tobacco would be a decline in employment in war plants where consumption of the latter is high.

Chewing Tobacco and Snuff

Although consumption of chewing tobacco has increased during this war, the volume is small, compared with World War I. Tax-paid withdrawals reached an all-time peak of 268 million pounds in 1917, and in 1918 began a downtrend which continued with minor interruptions until the outbreak of this war when only 100 million pounds were tax-paid in 1940. Production during 1944 totaled 125 million pounds, an increase of 3 percent over 1943. Consumption of chewing tobacco will probably decline somewhat from the present level when there is a reduction in employment in war plants.

As in the case of chewing tobacco, consumption of snuff has increased during the war, although there has been some decline in recent months. During 1943 more than 43 million pounds were manufactured, 5 million more than in 1940, and 10 million more than for a corresponding period of World War I. The 1943 production of snuff was greatest for any 12-month period on record. During 1944, production was 2 million less than the 1943 peak. For the first 8 months of the present fiscal year (July-February) tax-paid withdrawals of 27.8 million pounds were 1-1/2 percent below a year earlier. Figures for January 1945 indicate that the downward trend is continuing, and some further decline is anticipated.

FLUE-CURED, TYPES 11-14

March Intentions Point to Large 1945 Acreage

According to the recent release of the Crop Reporting Board, another large planting of flue-cured tobacco is in prospect in 1945. As of March 1, growers' intentions were to plant 1,032,200 acres, an increase of about 2 percent from the 1,007,300 acres harvested in 1944. Such an acreage with a per-acre yield equal to the 5-year average (1939-43) would produce a crop of 989 million pounds, about 9 percent less than the estimated 1,080 million-pound crop grown in 1944 when yields per acre were exceptionally large. If either the indicated acreage or a normal proportion of the allotted acreage is planted this year, and average yields are obtained, production will be the third largest on record.

Marketing Quotas in Effect in 1945-46 Season; Allotments Same as 1944

In accordance with an Act of Congress approved March 31, 1944, the Agricultural Adjustment Agency has announced that marketing quotas on flue-cured tobacco will be in effect during the 1945-46 marketing year. Under the national marketing quotas announced for flue-cured, individual farm acreage allotments for the 1945 crop will be the same as those in effect in 1944, a total of 1,095,000 acres. (For further information on acreage allotments and quotas, see the January 1945 Tobacco Situation, page 12.) The exceptionally strong demand for flue-cured tobacco during the past 2 or 3 seasons, resulting in the highest average prices since 1919, will offer considerable encouragement to farmers to plant their full allotments in 1945, although there is less labor on tobacco farms now than in many years. Last year growers planted and harvested more than 95 percent of their allotments.

Disappearance at High Level; Larger July 1 Stocks Indicated

Largely because of the exceptionally high rate of domestic manufacturing, disappearance of flue-cured tobacco is continuing at the highest level on record. Nevertheless somewhat larger stocks, as compared with a year earlier, are expected when the season ends June 30. Preliminary estimates of domestic manufacturing and exports of flue-cured during the present 1944-45 season are approximately 1 billion pounds, a slight increase over the 980 million pounds in the preceding marketing year, and 42 percent over the pre-war 1934-38 annual average. Unless there is a substantial increase in exports during the remainder of the season, stocks will be larger on July 1, 1945 than a year earlier. Flue-cured stocks were reduced during the preceding marketing year by about 190 million pounds.

Of the total stocks of 1,188 million pounds on July 1, 1944, more than 1 billion pounds were available for domestic use. Commodity Credit Corporation purchases from the 1944 crop totaled about 337 million pounds, about 330 million pounds of which were ear-marked for export. A great deal of this tobacco already has been exported, although a smaller proportion of the season's production has entered export markets than was the case a year ago.

Table 1.- Flue-cured tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/

Year	Production	Stocks July 1	Total supply	Disappearance year beginning July	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average 1934-38	741.0	844.9	1,585.9	704.3	22.9
1939	1,170.9	946.3	2,117.2	707.5	14.9
1940	759.9	1,409.7	2,169.6	576.7	16.4
1941	649.5	1,592.9	2,242.4	783.0	28.1
1942	811.7	1,459.5	2,271.2	2/877.0	38.4
1943	788.5	1,378.8	2,167.3	978.5	40.2
1944 3/	1,080.0	1,188.8	2,268.8		42.1

1/ Farm-sales-weight equivalent.
2/ Owing to a change in the method of reporting Commodity Credit Corporation holdings, the 1942-43 season disappearance figure does not agree mathematically with the difference between the supply as of July 1, 1942, and stocks as of July 1, 1943. For an explanation see the 1943-44 Flue-cured Market Review.
3/ Preliminary.

BURLEY, TYPE 31

Large End-of-Season Stocks Foreseen; 1944 Crop Breaks All Records

Although disappearance of burley tobacco during the 1944-45 season may be somewhat larger than the previous 12 months, stocks are expected to show a substantial increase on October 1, 1945. Sales data of the Tobacco Branch of the War Food Administration place the 1944 crop at approximately 580 million pounds, which exceeds the 1943 crop by 190 million pounds and the 1934-38 average production by more than 100 percent. This is by far the largest crop of burley tobacco ever produced. The large crop has resulted in an increase of more than 150 million pounds in this season's supply. Disappearance of burley exceeded production during the 3-year period 1941-43, which resulted in a decline in stocks of about 147 million pounds. This decline is more than offset by the excess of the 1944 crop over the estimated season's disappearance.

Another Large Acreage In 1945 Indicated

Another large planting of burley is in prospect for 1945. Growers' intentions as of March 1 were to plant 509,700 acres, an increase of 8 percent over the 472,700 acres harvested in 1944. If the expected acreage is planted and harvested and if the 5-year average yield (1939-43) is obtained, total production would be about 503 million pounds, 13 percent less than the estimated 1944 production. A crop this size would likely result in a further increase in the supplies of burley tobacco. Burley growers should not loose sight of the fact that inasmuch as burley is not an export type and therefore may not participate to any great extent in post-war export trade, any reduction in domestic consumption would probably affect burley to a greater extent than flue-cured, and with the anticipated reduction in cigarette production from the present wartime level burley supplies could pile up rapidly.

Average Prices for 1944 Crop Below 1943; Returns to Burley Producers at Record High

Sales of the 1944 crop of burley began December 6 with strong demand for practically all grades of leaf. When the selling season ended March 30 gross sales amounted to approximately 616 million pounds at an average of 44 cents per pound. Although the average price was below last year's record high of 45.6 cents per pound, burley growers received the largest gross income in history from this season's crop, an income considerably in excess of the 178 million dollars received for the 1943 crop. The 1944-45 price ceilings were in terms of individual grades and the decline in price below last year is in part attributable to the fact that a smaller proportion of the crop this season graded out as cutters and flyings than last year, and a larger percentage as heavy leaf grades. It is apparent that greater than usual emphasis will be placed next season upon tobacco of superior quality.

Table 2.- Burley tobacco: Domestic supplies, disappearance, and average price, average 1934-38, annual 1939-44 1/

Year	Production	Stocks Oct. 1	Total supply	Disappearance year beginning October	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Average 1934-38	287.2	700.9	988.1	314.5	22.2
1939	395.4	684.1	1,079.5	317.2	17.3
1940	375.3	762.3	1,137.6	339.6	16.2
1941	336.8	798.1	1,134.9	379.6	29.2
1942	343.5	755.3	1,098.8	412.8	41.8
1943	390.0	686.0	1,076.0	424.8	45.6
1944 2/	3/580.0	651.2	1,231.2		

1/ Farm-sales weight. 2/ Preliminary. 3/ Based on warehouse sales data.

MARYLAND, TYPE 32

Auction Markets Open April 17: Strong Demand Anticipated

Auction markets in Southern Maryland are scheduled to open April 17 for sale of the 1944 crop of Maryland tobacco. In contrast with the preceding season, the 1944 crop of Maryland is of good average quality and a fairly large proportion of the leaf is suitable for the manufacture of cigarettes. Inasmuch as stocks of cigarette tobacco are relatively low and flue-cured and burley have sold at high prices this season, the demand for Maryland probably will be strong.

1944 Disappearance Below 1943; January 1 Stocks Down; Supply Larger

Preliminary estimates place the disappearance of Maryland tobacco during the calendar year 1944 at 27 million pounds. This was 5 million below 1943 and about the same as the pre-war (1934-38) average, when cigarette manufacturing was only about 3/5 of the 1944 output. A considerable quantity of the 1943 crop of Maryland did not enter stocks for the manufacture of cigarettes because of the poor quality. The supply of Maryland on January 1, 1945 was larger than a year earlier, because of reduced consumption last year and a 1944 crop which was substantially larger than those of the 3 previous years. However, supplies of Maryland are still low in relation to requirements. Consumption of Maryland tobacco has not increased to any great extent during this war, mainly because of inadequate supplies. Supplies of Maryland are now somewhat greater than the average for the pre-war years 1934-38, but in relation to cigarette manufacturing they are the lowest on recocd. Several years of above-average production would be required to bring Maryland supplies up to pre-war ratios. As of March 1 growers' intentions were to plant 40,200 acres which is the same as in 1944.

Table 3.- Maryland tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/

Year	Production	Stocks Jan. 1 of following year	Total supply	Disappearance January 1 of following year	Season average farm price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average 1934-38	27.5	38.4	65.9	27.5	19.7
1939	32.8	36.3	69.1	25.9	21.1
1940	32.6	43.2	75.8	30.8	33.0
1941	31.2	45.0	76.2	28.5	30.1
1942	28.1	47.7	75.8	32.0	56.5
1943	20.8	43.8	64.6	2/ 27.0	2/ 45.1
1944 2/	32.2	37.6	69.8		

1/ Farm-sales weight. 2/ Preliminary.

DARK TOBACCO
(Fire-cured, types 21-24 and dark air-cured, types 35-37)

Prices of Fire-cured Above Last Year; Dark Air-cured Lower

Demand for dark tobacco of all types was well sustained throughout the 1944-45 selling season, which ended March 8. Preliminary estimates place the season average price paid growers for fire-cured at approximately 24.4 cents per pound, compared with 23.4 last year. Dark air-cured averaged about 23.4 cents compared with the season average of 27.2 cents for the 1943 crop.

No grades of dark tobacco were "frozen" this season for diversion into the manufacture of insecticides. However, the Commodity Credit Corporation offered to purchase certain grades of Green River, One Sucker and Eastern and Western fire-cured tobacco at fixed prices. Any tobacco acquired under this offer was to be diverted into the production of nicotine. Market prices generally were well above the loan rates, and also above the Commodity Credit Corporation's prices. Consequently, comparatively small quantities of tobacco were pledged to the Cooperative Associations under the loan program, and only small amounts were acquired by the Commodity Credit Corporation under the offer to purchase.

Gross sales of fire-cured this season amounted to approximately 59 million pounds, compared with 57 million last year. The 1944 crop of Virginia fire-cured (type 21) was much larger than that produced in 1943, and the volume of sales was the largest since the 1940-41 season. Gross sales amounted to approximately 14 million pounds at an average of 25 cents per pound. Sales of the 1943 crop of type 21 totaled 9.8 million pounds at an average of 27.9 cents per pound.

The 1944 crop of Eastern District fire-cured (type 22) is somewhat smaller than in 1943, but the quality was the best in several years. The season's marketings amounted to 33 million pounds at an average of 25 cents per pound, about 2.4 cents above last season. The season's gross sales of Western District fire-cured (type 23) totaled about 12 million pounds at an average of 22.3 cents per pound. Total sales reported this year for

Henderson Stemming (type 24) were only 3,500 pounds, although 1944 production is reported at a little less than 100,000 pounds, which is slightly above 1943. At one time Henderson Stemming was one of the major types of tobacco. In 1919 production totaled almost 20 million pounds.

Sales of the 1944 crop of dark air-cured tobacco (types 35-37) were completed March 8. The season's average prices paid growers were below the record level of last year, but were high compared with the years prior to 1943. The season's gross sales of all dark air-cured types combined amounted to approximately 46 million pounds, an increase of 16 million over the 1943-44 season. Of the three types, Virginia sun-cured, following the usual pattern, sold at the highest price, followed by Green River and One Sucker. The average season price was 23.4 cents per pound, compared with 27.2 last season. The preliminary estimate of the value of the 1944 crop of dark air-cured tobacco is about 11 million dollars.

The 1944 crop of One Sucker was one of the largest in several years, and returns to growers were the highest since 1920. Total sales amounted to 25 million pounds at an average of 21.7 cents per pound. In addition to the larger 1944 crop, the quality was below normal. The decline in price this season below last season was general for most all grades, particularly the lug group, with some grades down as much as 7 cents below last season. The only gains this season over last were shown for low quality grades and nondescript, which showed increases up to 5 cents per pound.

The 1944 crop of Green River (type 36) was the largest since 1940, and had the highest crop value since 1924. The 1943 crop was one of the smallest since systematic records have been kept, and total sales amounted to only 11 million pounds. This season's sales totaled around 17 million pounds at an average of about 24-1/2 cents per pound.

Prices paid growers for most all grades of Virginia sun-cured (type 37) were lower this year than last. Gross sales totaled approximately 3 million pounds at an average of about 31.3 cents per pound. The 1943 crop of Virginia sun-cured was about 1/3 smaller than the 1944 crop and the season average price of 34.9 cents per pound was the highest in history. The value of the 1944 crop is placed at about 870 thousand dollars.

Production at Low Level;
Stocks Lower

Largely as a result of the drastic decline which has taken place in the production of dark tobacco since the beginning of the war, stocks of all dark types except type 37 were lower on October 1, 1944 than a year earlier. Combined stocks of types 21-24 and 35-37 totaled 231 million pounds, compared with 245 million on October 1, 1943. The supply of dark tobacco this season is about the same as last, inasmuch as the decline in the carry-over is largely offset by an increase in the 1944 crop over 1943. Disappearance of dark tobacco during the 12-month period ended September 30, 1944 totaled 109 million pounds, which was somewhat greater than the 1944 production. Some further reduction in total stocks this season appears likely.

To a great extent the decline in stocks of dark tobacco is accounted for by the decline in production of fire-cured (types 21-24), inasmuch as disappearance of dark tobacco is still at a relatively low level, and production of dark air-cured has been fairly well maintained. The trend in fire-cured production has been downward for many years, and is now near the lowest level since systematic records have been kept. The decline in production is attributable in

part to the reduction in Henderson Stemming (type 24), although production of all types of fire-cured has been drastically reduced in recent years. As previously stated, Henderson Stemming was at one time an important type of tobacco in this country, but only a small quantity has been sold this season as type 24. It is probable that a substantial increase in acreage of fire-cured tobacco will be necessary to meet domestic and export requirements during the next year or so.

Production of dark air-cured (types 35-37) at the 1944 level of 41-1/2 million pounds appears adequate to meet requirements. Although production has declined under war conditions, the 1944 production, stimulated by the high prices, was substantially above the previous year.

Intentions to Plant Indicate Only A Slight Increase in 1945 Acreage

Growers' intentions as of March 1 were to increase slightly the acreages of all types of dark tobacco in 1945. The indicated acreage of fire-cured is 65,800 acres, compared with 64,800 acres in 1944, an increase of about 2 percent. The indicated dark air-cured acreage is 43,100 acres, an increase of about 7 percent over the 40,100 acres harvested in 1944.

Table 4.- Dark tobaccos: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/

	Production	Stocks Oct. 1	Total supply	Disappearance, year beginning Oct. 1	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Fire-cured types 21-24, and dark air-cured types 35-37			TOTAL ALL DARK TOBACCOS		
Average 1934-38	145.7	257.0	402.7	162.0	10.0
1939	143.6	192.3	335.9	128.7	9.5
1940	150.1	207.2	357.3	99.0	9.0
1941	101.2	258.3	359.6	111.0	13.4
1942	106.7	248.6	355.3	110.2	16.4
1943	94.8	245.1	339.9	108.7	24.6
1944 2/	106.8	231.2	338.0		
Total, types 21-24			Fire-cured		
Average 1934-38	110.2	194.2	304.4	123.0	10.2
1939	99.4	136.2	235.5	93.9	10.6
1940	107.6	141.6	249.2	65.3	9.5
1941	69.7	183.9	253.6	69.0	14.1
1942	71.5	184.6	256.1	76.3	17.1
1943	64.8	179.8	244.6	71.1	23.4
1944 2/	65.4	173.5	238.9		
Total, types 35-37			Dark air-cured		
Average 1934-38	35.5	62.8	98.3	39.0	9.4
1939	44.2	56.1	100.3	34.7	7.3
1940	42.5	65.6	108.1	33.7	7.7
1941	31.5	74.4	106.0	42.0	12.0
1942	35.2	64.0	99.2	34.0	15.2
1943	30.0	65.3	95.3	37.6	27.2
1944 2/	41.4	57.7	99.1		

1/ Farm-sales-weight equivalent. 2/ Preliminary.

CIGAR TOBACCO, TYPES 41-62

Prices About Same as Last Year; Summary of Price Regulations And Freeze Orders

Sales of practically all of the 1944 crop have been completed and average prices have been at or near the established ceilings. In most instances the maximum prices for the 1944 crop were the same as for the 1943 crop.

Because of the anticipated strong demand for the 1944 crop of cigar tobacco, and at the request of the industry and growers, the War Food Administration found it desirable last summer to freeze the future-contract purchase of most cigar filler and binder tobacco. Consequently, in June 1944, purchases of filler (types 41-44) and binder (types 51-55) were prohibited by Order 4.6, which remained in effect until removed by WFA during the marketing season.

Before the crop was sold, the Office of Price Administration established ceiling prices on practically all types of cigar tobacco grown in 1944. Effective September 8, Revised Regulation No. 440 placed ceiling prices on the 1944 and succeeding crops of Georgia-Florida Shade-grown (type 62). Maximum Price Regulation No. 494 established maximum prices of domestic cigar filler and binder (types 41-44 and 51-55) of the 1943 crop. A revision of this order, effective December 16, 1944, extended control to sales of the 1944 crop by growers, and established mark-up factors for sales by packers, dealers, and manufacturers.

Maximum Prices Re-established for 1944 Crop of Connecticut Shade

Effective March 5, 1945, Revised Maximum Price Regulation No. 517 re-established grade ceiling prices on Connecticut shade-grown tobacco (type 61) of the 1944 crop, at the same levels as the 1943 crop. As was the case last year, the prices cover the 25 grades customarily recognized by the industry for this tobacco. The order was designed to produce a weighted average selling price (to grower-packers and packers) of $2.40 per pound (packed weight) which is the same as that reflected in the ceiling prices for the 1943 crop. Provision is made in this order for extending the ceiling prices to future crop years to eliminate a break in price control between marketing seasons. The revised regulation also provides that packers' ceiling prices shall apply to manufacturers' sales of tobacco they pack. If the manufacturer resells tobacco which he purchased already packed, the resale price is limited to the net delivered cost of the tobacco.

Table 5.- Domestic Cigar Tobacco: Production stocks, supply, and price, average 1934-38, annual 1939-44

Year beginning Oct. 1	Production	Stocks Oct. 1 (farm-sales weight 1/	Total supply	Disappearance year beginning Oct. 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Average 1934-38	2/ 99.2	335.7	434.9	123.8	17.1
1939	137.7	269.4	407.1	108.4	18.6
1940	144.0	298.7	442.7	137.3	17.4
1941	143.2	305.4	448.6	131.3	20.4
1942	118.6	317.3	435.9	143.4	25.8
1943	108.6	292.5	401.1	132.9	37.8
1944 3/	124.7	268.2	392.9		

1/ Stocks for types 45 and 62 are as of July 1. 2/ Production was usually low during this period. 3/ Preliminary

Stocks and Supplies Lower

Total supplies of domestically-grown cigar tobacco on October 1, 1944, were reported as 268.2 million pounds, 24 million below a year earlier. Of the separate classes, stocks of filler and binder were smaller but wrapper stocks were larger than on October 1, 1943. Because of the larger 1944 production, the total 1944-45 season supply of cigar tobacco is not materially different from last season, even though the carry-over was down from the same date of the previous year.

Disappearance of cigar tobacco during 1944-45 season may reach 140 million pounds. This would leave total domestic stocks on October 1, 1945, at a little more than 253 million pounds, the lowest level for that date since 1913. The supply situation is somewhat different as to the individual classes. Over a period of several years, disappearance of filler and binder has been greater than production, and the present supply is lower in relation to probable disappearance than in pre-war years. The supply of wrapper tobacco on the other hand, has increased, and present stocks appear adequate. In relation to usage the supply of binder tobacco is lower than the supply of filler. Some increase in production of both filler and binder tobacco is needed to maintain the present level of stocks. A slight increase in 1945 acreage is indicated as of March 1.

Stocks of foreign-grown cigar tobacco held in the United States totaled almost 30 million pounds on January 1, 1945, which was a substantial increase over a year earlier, and the largest since separate records were begun in 1930. The increase in stocks is to a great extent accounted for by the increase in Cuban. Cuban stocks on January 1, 1945 totaled 25.6 million pounds, compared with 20.9 on January 1, 1944. Sumatra stocks were further reduced during the last quarter of 1944, while stocks of Philippine tobacco in this country are practically exhausted. Holdings on January 1, 1945 amounted to 122,000 pounds, compared with 185,000 pounds on October 1, 1944.

Table 6.- Cigar tobaccos: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/

Type and year	Production	Stocks Oct. 1 2/	Total supply	Disappearance year beginning Oct. 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Total filler, types 41-44-					
Average 1934-38	48.2	158.8	207.0	53.8	10.5
1939	62.3	139.5	201.8	53.2	11.6
1940	66.6	148.7	215.2	60.6	11.9
1941	71.4	157.0	228.4	61.7	12.4
1942	53.6	166.7	220.3	66.8	13.2
1943	47.4	153.6	201.0	55.7	18.6
1944 3/	56.7	145.4	202.1		
Pennsylvania seedleaf, type 41-:					
Average 1934-38	33.2	100.4	133.6	34.5	11.4
1939	45.0	97.5	142.5	36.5	12.9
1940	50.1	106.0	156.1	41.8	13.3
1941	57.7	114,3	172.0	49.1	13.2
1942	41.6	122.9	164.5	54.9	13.7
1943	39.6	109.6	149.2	42.5	18.6
1944 3/	50.4	106.8	157.2		
Miami Valley, types 42-44-					
Average 1934-38	15.0	58.4	73.4	19.3	8.5
1939	17.3	42.0	59.3	16.7	8.4
1940	16.5	42.6	59.1	16.4	7.7
1941	13.7	42.7	56.4	12.6	9.3
1942	12.0	43.8	55.8	11.8	11.5
1943	7.8	44.0	51.8	13.2	18.3
1944 3/	6.3	38.6	44.9		
Total binder, types 51-56					
Average 1934-38	41.8	165.1	206.9	60.5	12.4
1939	63.2	116.6	179.8	45.0	16.6
1940	67.9	136.0	203,9	67.2	14.5
1941	61.6	136.7	198.3	60.4	16.9
1942	55.7	137.8	193.5	66.9	20.3
1943	51.2	126.6	177.8	69.3	30.3
1944 3/	56.8	108.6	165.4		
Connecticut Valley broadleaf, type 51-					
Average 1934-38	11.1	35.5	46.6	13.5	17.4
1939	12.5	27.8	40.3	12,8	22.0
1940	12.3	27.5	39.8	16.5	21.0
1941	12.8	23.3	36.1	10.0	22.0
1942	10.4	26.1	36.5	14.2	26.0
1943	11.0	22.3	33.3	12.6	40.0
1944 3/	13.1	20.8	33.9		

- Continued

Table 6.- Cigar tobaccos: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/ -Continued

Type and year	Production	Stocks Oct. 1 2/	Total supply	Disappearance year beginning Oct. 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Havana seed, type 52-					
Average 1934-38	8.1	28.8	36.9	11.1	16.5
1939	13.9	22.9	36.8	12.3	24.0
1940	13.8	24.5	38,3	12.8	21.7
1941	13.4	25.5	38.9	9.3	24.0
1942	12.7	29.6	42.3	13.3	26.4
1943	11.0	29.0	40.0	17.1	37.7
1944 3/	11.7	22.9	34.6		
New York and Pennsylvania Havana seed, type 53-					
Average 1934-38	1.0	2.3	3.3	1.1	10.4
1939	1.9	2.8	4.7	1.5	10.9
1940	2.0	3.2	5.2	2.1	12.0
1941	2.2	3.1	5.3	2.4	12.9
1942	1.9	2.9	4.8	3.0	13.8
1943	1.2	1.8	3.0	.9	19.8
1944 3/	1.4	2.1	3.5		
Southern Wisconsin, type 54-					
Average 1934-38	12.3	62.5	74.8	21.6	7.8
1939	18.8	34.3	53.1	9.5	10.8
1940	20.4	43.6	64.0	24.6	8.5
1941	15.4	39.4	54.8	19.2	9.6
1942	13.8	35.6	49.4	13.3	16.2
1943	13.4	36.1	49.5	17.3	22.5
1944 3/	14.9	32.2	47.1		
Northern Wisconsin, type 55-					
Average 1934-38	9.1	36.0	45.1	12.9	9.7
1939	15.6	28.7	44.3	8.3	13.8
1940	17.6	36.0	53.6	9.9	11.7
1941	16.9	43.7	60.6	18.6	14.6
1942	16.1	42.0	58.1	21.8	16.4
1943	14.4	36.3	50.7	20.8	25.5
1944 3/	15.6	29.9	45.5		
Georgia and Florida sun-grown, type 56-					
Average 1936-38 4/	.4		.4	.4	13.3
1939	.6		.6	.6	11.9
1940	1.8	1.2	3.0	1.3	13.4
1941	.9	1.7	2.6	1.0	14.5
1942	.8	1.6	2.4	1.3	17.4
1943	.2	1.1	1.3	.5	22.0
1944 3/	.1	.8	.9		

- Continued

Table 6.- Cigar tobaccos: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-44 1/ - Continued

Type and year	Production	Stocks Oct. 1 2/	Total supply	Disappearance year beginning Oct. 1	Average price per pound
	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Total wrapper, types 61-62 -					
Average 1934-38	8.4	10.7	19.1	8.9	78.3
1939	11.4	10.8	22.2	9.3	67.7
1940	9.5	12.9	22.4	10.7	75.8
1941	10.1	11.7	21.8	9.1	98.4
1942	9.2	12.7	21.9	9.6	132.1
1943	10.0	12.3	22.3	8.1	168.0
1944 3/	11.2	14.2	25.4		
Connecticut Valley shade-grown, type 61 -					
Average 1934-38	5.9	7.8	13.7	6.3	82.8
1939	8.6	7.7	16.3	6.5	66.0
1940	5.5	9.8	15.3	7.4	80.0
1941	6.4	7.9	14.3	6.3	113.0
1942	5.6	8.0	13.6	6.0	150.0
1943	6.3	7.6	13.9	5.2	185.0
1944 3/	7.7	8.7	16.4		
Georgia-Florida shade-grown, type 62 - 7					
Average 1934-38	2.5	2.9	5.4	2.6	67.8
1939	2.8	3.1	5.9	2.8	73.0
1940	4.0	3.1	7.1	3.3	70.0
1941	3.7	3.8	7.5	2.8	73.0
1942	3.6	4.7	8.3	3.6	104.0
1943	3.7	4.7	8.4	2.9	138.0
1944 3/	3.5	5.5	9.0		

1/ Farm-sales weight. Rounded type figures do not check, in all cases, to those previously published because of rounding to add to the total for the class. In no case is the difference more than one point.
2/ Stocks for types 56 and 62 are as of July 1.
3/ Preliminary.
4/ Prior to 1936, class 45.

Table 7.- Tobacco acreages in the United States, by types, average 1934-38, annual 1943 and 1944, and 1945 prospective acreage as of March 1

Class and type	Harvested acreages			1945 acreage 2/	
	Average 1934-38	1943	1944 1/	Prospective	Change from 1944
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Total flue-cured, types 11-14	863.2	844.8	1,007.3	1,032.2	+ 2
Old and Middle Belt, type 11	327.1	320.0	366.0	377.0	+ 3
Eastern North Carolina, type 12	296.6	285.0	339.0	346.0	+ 2
South Carolina, type 13	155.7	157.0	190.0	197.0	+ 4
Georgia-Florida, type 14	83.8	82.8	112.3	112.2	0
Total fire-cured, types 21-24	135.2	68.8	64.8	65.8	+ 2
Virginia, type 21	23.1	12.2	14.0	14.3	+ 2
Ky. and Tenn., type 22	76.7	39.0	35.0	36.2	+ 3
Ky. and Tenn., type 23	32.4	17.5	15.7	15.2	- 3
Henderson, type 24	3.0	.1	.1	.1	0
Burley, type 31	347.3	391.4	472.7	509.7	+ 8
Maryland, type 32	36.7	35.3	40.2	40.2	0
Total dark air-cured, types 35-37	42.0	30.9	40.1	43.1	+ 7
One Sucker, type 35	19.9	16.7	22.1	24.8	+ 12
Green River, type 36	18.8	11.5	15.0	15.0	0
Va. sun-cured, type 37	3.3	2.7	3.0	3.3	+ 10
Total cigar filler, types 41-44	38.0	38.2	39.9	40.8	+ 2
Pa. Seedleaf, type 41	23.4	31.4	33.6	35.3	+ 5
Miami Valley, types 42-44	14.6	6.8	6.3	5.5	- 13
Total cigar binder, types 51-56	28.9	32.6	36.2	39.1	+ 8
Conn. Valley Broadleaf, type 51	7.2	6.6	8.0	8.5	+ 6
Conn. Valley Havana Seed, type 52	5.4	6.5	6.6	6.9	+ 5
N. Y. and Pa. Havana Seed, type 53	.7	.9	1.0	1.1	+ 10
Southern Wisconsin, type 54	8.9	8.9	9.9	10.9	+ 10
Northern Wisconsin, type 55	6.7	9.4	10.5	11.4	+ 9
Ga. and Fla. sun-grown, type 56	3/ .4	.3	.2	.3	+ 50
Total cigar wrapper, types 61-62	8.9	9.6	10.4	10.7	+ 3
Conn. Valley Shadegrown, type 61	6.3	6.3	7.3	7.8	+ 7
Ga. and Fla. Shadegrown, type 62	2.6	3.3	3.1	2.9	- 6
Miscellaneous	.3	.3	.4	.3	- 25
La. Perique, type 72	.3	.3	.4	.3	- 25
Total, all types	4/ 1,500.5	1,451.9	1,712.0	1781.9	+ 4.1

1/ Indicated December 1, 1944. 2/ Indicated March 1, 1945. 3/ 3-year average 1936-38, not included in total for binder types. 4/ Does not include type 45-56.

Table 8.- Tax-paid withdrawals of tobacco products in the United States, Calendar years 1943 and 1944, and July-January 1943-44 and 1944-45 1/

Products	Calendar year			July-January		
	1943	1944	Change	1943-44	1944-45	Change
	Millions	Millions	Percent	Millions	Millions	Percent
Small cigarettes	257,741	239,285	- 7.2	159,882	140,857	- 11.9
Large cigarettes	6	27	2/+361.8	5	28	2/+500.6
Large cigars	5,228	4,786	- 8.5	2,915	2,843	- 11.5
Small cigars	128	140	+ 9.4	72	70	- 2.8
Snuff 3/	43,180	42,035	- 2.7	24,694	23,900	- 3.2
Manufactured tobacco 3/	262,456	251,783	- 4.1	157,752	162,803	+ 3.2

1/ Tax-paid withdrawals include products from Philippine Islands and Puerto Rico. After January 1942 tax-paid withdrawals from Phillippine Islands are not included.
2/ Based on actual, not rounded figures.
3/ Thousand pounds.

Table 9.- Production of manufactured tobacco in the United States, calendar years 1943 and 1944, and July-December 1943 and 1944

Manufactured tobacco	Calendar year			July-December		
	1943	1944	Change	1943	1944	Change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Smoking	162,209	139,874	-13.8	85,051	82,724	-2.7
Plug	59,001	61,656	+ 4.5	30,170	30,897	+2.4
Twist	6,327	6,467	+ 2.2	3,106	3,264	+5.1
Fine-cut	4,534	4,094	- 9.7	2,277	2,071	-9.1
Scrap chewing	51,796	52,883	+ 2.1	27,581	27,583	+ 0
Snuff	43,179	41,960	- 2.8	20,993	20,500	-2.3

Table 10.- Tobacco: Cash income, by States, calendar years 1942-44

State	1942	1943 1/	1944 1/	Change (1943-44)
	1,000 dollars	1,000 dollars	1,000 dollars	Percent
Mass.	2,576	4,562	1,862	- 59.2
Conn.	7,146	18,033	5,489	- 69.6
N.Y.	219	204	115	- 43.6
Pa.	7,428	5,783	7,432	+ 28.5
Ohio	5,074	7,846	5,185	- 33.9
Ind.	2,566	3,819	4,165	+ 9.1
Wis.	3,912	4,738	6,363	+ 34.3
Minn.	80	92	149	+ 62.0
Mo.	1,542	2,290	2,591	+ 13.1
Kans.	65	72	86	+ 19.4
Md.	9,401	15,888	9,435	- 40.6
Va.	38,503	42,692	65,647	+ 53.8
W. Va.	686	997	1,011	+ 1.4
N. C.	224,005	222,950	334,250	+ 49.9
S. C.	35,798	33,641	54,113	+ 60.9
Ga.	18,439	25,180	39,656	+ 57.5
Fla.	6,655	8,593	6,392	- 25.6
Ky.	86,430	106,939	136,021	+ 27.2
Tenn.	23,014	35,838	37,170	+ 3.7
Ala.	59	104	31	- 70.2
U. S.	473,598	540,261	717,163	+ 32.7

1/ Subject to revision.

Table 11.- Tobacco: Cash income, by classes and types
United States, 1942-44

Calendar year	Flue-cured, types 11-14	Light air-cured: Burley type 31	Light air-cured: Maryland type 32	Fire-cured types 21-24	Dark air-cured types 35-37	Cigar leaf, types 41-62	Total, types 11-62
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1942	311,336	112,514	9,401	9,942	4,072	26,333	473,598
1943 1/	316,794	149,433	15,888	12,094	5,125	40,927	540,261
1944 1/	484,351	174,867	9,435	15,320	9,883	23,307	717,163

1/ Subject to revision.

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